THE Agricultural Situation

APRIL 1952

Volume 36 Number 4

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[**The AGRICULTURAL SITUATION is sent free to crop and price reporters in connection with their reporting work**]

A monthly publication of the Bureau of Agricultural Economics, United States Department of Agriculture, Washington, D. C. The printing of this publication has been approved by the Director of the Budget (January 18, 1952). Single copy 5 cents, subscription price 50 cents a year, foreign 70 cents, payable in cash or money order to the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

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A Letter TO CROP REPORTERS

SPRING must be here. I fell over two baseball bats in the middle of the floor looking for the light switch the other night. The great American pastime is under way. To my way of thinking, however, the greatest of all American pastimes is forecasting; and the season in my field opens up just about the same time the baseball players head South and the robins head North. Around here they say the first robin is supposed to land on March 4. (This year being Leap Year, I watched to see whether the robins follow the calendar or the season. It was the calendar.) And on March 19 we pitched out the first ball of the new season, the report summarizing the farmers' intentions to plant.

As we go into the new season, let us talk a little about the forecasts. I say "we" because you supply the information and we put it together and send it back to you in summary form. Incidentally, it would be a big help if more farm reporters would fill out and send in the questionnaires. Actually, if we could count on—and I really mean, be sure of—getting back replies from all of you, we could do a lot better job for you than we do now. As a matter of fact, we might not have to send out quite so many questionnaires in the first place. That would help to hold down costs—something in which we are very much interested.

NOW let's look at the accuracy of the estimates and forecasts. You know, of course, that when we put out a figure it is there for the world to see. Anyone is privileged to do all the second guessing they want, and believe me, a lot of people seem to "want". We don't have a super crystal ball to tell us the figures. Our estimates are made out of the replies from the farmers I was just talking about. When you get the crop report, remember that we are just like you. When you report in March what you intend to do for the coming season you have no good way of being sure that you can or should follow out to the letter in April or May what you planned to do in March.

Or when you report how the crop looks to you on the first of the month, you can't be sure that the weather isn't going to turn good or bad and the crop turn out better or worse than you expected. Nevertheless, it is important to you, and to everybody else for that matter, to know what the consensus is on plans and crop prospects at the moment. If you remember this fact, it will always be helpful to you in interpreting the estimates and forecasts that come out during the season.

The fact that there is, and always will be, a wide variation in how individual "experienced" observers appraise a situation, was one of the principal arguments that farmers put up some 90 years ago for a national crop reporting service. Their desire was that there be a national report that would not be influenced by the personal interest of any individual or group of individuals. That is exactly what we are trying to do in the Crop and Livestock Reporting Service. We know that when you report the prospects, say on the first of July, that you have no way of telling what the weather is going to be later but in our experience, your report has proved to be a very objective appraisal of the prospects as of that date.

IN using a crop forecast you should think of it just as you do when you make out your own report. The forecast from Washington is a summary of the best opinions of a large number of farmers *on the date to which the report refers.* Don't be surprised, or feel that you have made an error, if subsequent weather conditions change the prospects.

We believe you are doing a good job. The only thing is, we wish that *more of you* would pitch in and help out with report schedules during the season.

S. R. Newell, Chairman
Crop Reporting Board, BAE

Early Reports Fail to Show Increase in Crop Acreage

Feed Grain Acreage Indicated Below Last Year—Farmers Must Depend Mainly on High Yields for Big Production, but May Yet Increase Acreages

FARMERS' plans for the 1952 crop season indicate relatively small acreage changes from plantings a year ago. The 271.8 million acres indicated as a total for 16 crops is about a million acres less than in 1951. For individual crops, however, the tendency is to shift from crops of higher labor requirements to those of a less intensive nature. Reports from farmers show a general concern over farm labor supplies and this appears to be a limiting factor in plans for 1952 operations.

Acreage figures now indicated for this year's crops are from the Crop Reporting Board's *Prospective Plantings Report*, as of March 1. In order that individual farmers may have an estimate of what farmers as a whole are planning to do, the Board with the help of thousands of public-spirited farmer reporters, issues a prospective plantings report in March every year. This is the twenty-ninth year such reports have been issued.

Spring wheat is included among the 16 crops reported but winter wheat is not.

In total, the indicated 1952 acreage would be about 7 million acres below the average aimed at in this year's production goals. However, since farmers' production plans are often influenced by the March intentions report itself, as well as by many other factors as the season progresses, it is hoped that goal production may be achieved this year.

A limiting factor in the acreage available for seeding spring crops is the large acreage sown to winter wheat last fall, and of which little has been abandoned to date. Farmers indicate a strong desire to retain and increase their hay and grassland acreage. Current plans indicate decreases from 1951 acreages of spring wheat, mostly durum, or barley, flax, all sorghums, peanuts grown alone, dry beans and peas. Large increases are indicated for oats, soybeans, and hay. Changes from 1951 acreages are likely to be relatively small for corn, rice, potatoes, sweetpotatoes, tobacco, and sugar beets.

Feed Grain Prospects

Feed grain acreages totaling about 1½ million acres less than in 1951 do not augur well for grain supplies for increased livestock numbers, but no decrease in production proportionate to the decrease in acreage is likely.

The prospective corn acreage barely exceeds the relatively low 1951 planted acreage. Declines are in prospect in lower-yield areas, but these are more than offset by larger acreages than in 1951 in the higher-yielding main Corn Belt States. An oats acreage totaling about 1¼ million more than in 1951 is indicated, with the largest increases in the higher-yielding West North Central area, where they offset sharp decreases in barley. For sorghums, nearly three-fourths of the 1.7-million acre decline from 1951 is in Kansas. Here, as in other Great Plain States, the acreage becoming available for sorghums because of abandonment of winter wheat is now expected to be relatively small.

On the basis of average yields per acre, by States, prospective feed grain production on the 1952 acreage would total nearly 121 million tons, compared with 114 million produced in 1951. A hay acreage nearly 1 percent larger than the large 1951 total, plus an average prospective carry-over, would provide liberal hay supplies, even for the expanding livestock numbers.

Food Grains—Little Change

For food grains, little change from the 1951 total acreage is in prospect.

A slightly larger acreage of winter wheat was sown last fall and has wintered well. Less than usual replacement by spring wheat will be necessary in the West and Pacific Northwest. In Minnesota and the Dakotas, increases in hard spring wheat more than offset cuts in durum acreage. But the net is a decrease of 259,000 acres of all spring wheat from the 1951 total. The rice acreage will be nearly as large as the record 1951 total.

The acreage in oilseeds will be little changed from 1951 in total, but there will be compensating shifts. Flax acreage will be reduced in virtually all States, the chief exception being in Texas. The acreage of peanuts grown alone may be reduced 435,000 acres, or about a sixth, with reductions in practically every State. On the other hand, increases in soybeans grown alone, in most important States except Iowa and the East North Central States, result in a net increase of 4 percent or 619,000 acres over 1951, to a new record acreage.

Further Acreage Changes Possible

Modification of plans reported as of March 1 may be expected over wide areas, as that date is well ahead of planting time in much of the country. If excessive rains at usual planting times should reduce the plantings of spring grains, some of that acreage might be shifted to later-planted crops, such as flax, corn, soybeans, or sorghums. The knowledge of what other farmers plan to do, as indicated by this report, may result in changes in individual plans. For instance, it is indicated that the planned acreage of feed grains would not meet the needs of the country, as announced by the Department of Agriculture. This may lead to such increases in feed grains as can be made within the individual farm programs for grassland and small grains as nurse crops for grasses, also depending upon the labor and machinery likely to be available, probable acre-income factors and feed needs for livestock.

Charles E. Burkhead
Member, Crop Reporting Board, BAE

Outlook Highlights

. . . April 1952

Feed Grains

ACREAGE intentions for feed grains, as reported in March, fall considerably short of the 1952 goals and point to a further small reduction in feed grain supplies in the 1952–53 feeding season from a year earlier. Much will depend, of course, on the 1952 growing season.

Assuming yields by States about the same as the average for the past few years, feed grain production this year, on the prospective acreage, would total nearly 121 million tons, about 6 percent larger than in 1951. But a crop of this size would fall short of the all-time record reached in 1948 by about 15 million tons.

The carry-over of feed grains into the 1952–53 feeding season is expected to be considerably smaller than a year earlier—probably by a little more than the indicated increase in production. This would mean smaller supplies next year.

Wheat

Cash wheat prices may continue at about present levels for the next several weeks. Biggest uncertainties during the next few months continue to be the weather and export demand. Domestic disappearance of wheat in 1951–52 is now expected to be about 700 million bushels, and exports about 450 million.

Livestock and Meat

Marketings of livestock and total output of meat have been considerably larger to date this year than last. Bigger supplies have been a major factor in lower prices, especially for hogs and lambs.

Marketings in total may continue somewhat above 1951. But the increase in months ahead will be smaller than in months past as hog marketings

(Continued on page 6)

Visualizing the Cattle Build-Up

DURING 1951, numbers of all cattle and calves on farms increased 6 million head. This was the largest addition to numbers ever recorded for a single year. The 88 million head on farms this January 1 was a new record high.

The expansion last year followed smaller increases in 1949 and 1950. From January 1, 1949, to January 1, 1952, numbers rose 11.2 million, or nearly 15 percent.

All States except New Hampshire took part in the 3-year expansion in numbers—and the reduction in New Hampshire was only nine-tenths of 1 percent. The chart shows the percentage increase by States. The above table combines the State data into regions and shows percentage changes in cattle and cow numbers by regions.

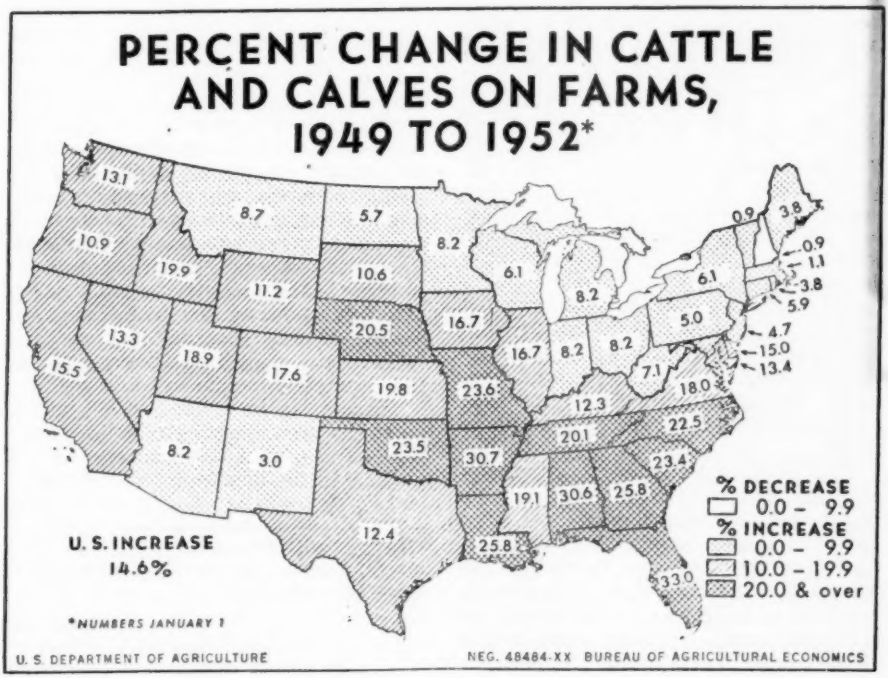
Numbers of all cattle have expanded fastest in the South and the Western

Regional Changes

All Cattle and Cows on Farms, 1949–52 [1]

Region	All cattle and calves	Cows		
		All cows	Milk cows [3]	Beef cows [4]
	Percent	*Percent*	*Percent*	*Percent*
North Atlantic	+4.8	−0.2	−1.0	+46.3
East North Central	+9.7	+1.8	−2.4	+41.3
West North Central	+16.1	+12.4	−5.2	+35.8
South Atlantic	+22.1	+16.1	+2.9	+42.3
South Central [2]	+18.1	+15.5	+.5	+28.2
West	+12.8	+12.5	−2.7	+20.1
United States	+14.6	+10.6	−1.9	+29.5

[1] Number Jan. 1 each year.
[2] In the South Central excluding Texas, the respective percentages were +22.6, +19.8, +2.5, and +47.0.
[3] Cows and heifers 2 years and over for milk.
[4] Cows and heifers 2 years and over not for milk.



Corn Belt. Numbers in the South Atlantic region increased 22 percent over the 3 years, in the South Central 18 percent and in the West North Central 16 percent. Next in rate of gain was the Western region with 13 percent and the East North Central with 10 percent. The North Atlantic region had a 5 percent increase in the 3-year period. Although cattle numbers for the country as a whole are at a record high, only half of the States reached a new record this January. Most of the States attaining a record number of cattle are southeastern States, central plains States and western States.

Most of Increase, Beef Animals

In terms of future capacity for beef production, cow and heifer numbers mean more than do numbers of all cattle and calves. From January 1, 1949, to January 1, 1952, cow numbers rose 4.2 million, or nearly 11 percent, while heifers 1 to 2 years of age increased over 16 percent. The striking feature of the 3-year increase in cow numbers is that it was uniformly large throughout the Southeast and the States west of the Mississippi. In the Eastern Corn Belt and the North Atlantic, by contrast, cow numbers changed little.

Moreover, almost all the change in cow numbers has been in beef cows (defined in statistics as "cows other than for milk"). Numbers of cows for milk declined 2 percent from January 1949 to 1952. No region showed a large percentage increase or decrease. Numbers of beef cows, on the other hand, were up almost 30 percent this past January from 3 years earlier. Here too the increase was quite uniform by regions. Only in the West and in Texas was it generally less than the United States average. In other regions, including the South Central outside of Texas, it was 35 percent or more.

To repeat and summarize, numbers of milk cows have been nearly stable in all regions. Numbers of beef cows have increased sharply in all regions, with only the West and Texas lagging behind the national rate. Changes in numbers of all cows (and *all* cows, not just beef cows, produce animals for meat) have been small in regions where dairying predominates, and larger where the beef enterprise is more important.

Emmett Hannawald
Harold F. Breimyer
Bureau of Agricultural Economics

Outlook Highlights

(Continued from page 4)

drop below last year. Rising prices for hogs are likely until late summer, and prices this fall may be above last fall.

Dairy Products

Demand for dairy products continues strong. Since supplies of milk may be smaller this year than last, the strong demand probably will keep prices equal to or above those of 1951. Butter prices declined in early March with seasonal increases in supplies; but butter prices, too, are expected to continue higher than a year earlier.

Fats and Oils

Supplies of edible vegetable oils have been large in relation to demand (reflecting record output and comparatively large beginning stocks), and prices have been adjusting downward. Prices in March were at a level substantially below a year earlier but near that of 2 years ago. Lard prices also have declined but, the rate of decline has been retarded by unusually large exports.

Vegetables for Processing

Prices which commercial canners and freezers will pay farmers for truck crops produced this spring for commercial processing are expected to average somewhat lower than those paid for 1951 production, as processors in general will not be seeking quite as large a volume this year compared with 1951. Exceptions probably will be beets, cabbage for kraut, and sweet corn, for each of which a larger acreage has been suggested for this year, and for which a higher price may be necessary to get the suggested increase in acreage.

Current stocks of canned vegetables generally are appreciably larger than a year earlier, with the increases almost entirely in the hands of the canners.

(Continued on page 16)

Western Livestock Auctions Play Increasing Marketing Role

GROSS SALES of some 460 Western livestock auctions approximated a billion dollars in 1951. Auctions have captured an increasing proportion of total marketings in the West and have grown at a more rapid rate than in other sections. Data gathered in the recent study show that some of the largest auctions in the United States are located in the West.

The period of most rapid growth, 1940 to 1950, was one of expanding business activity, high livestock prices, and general prosperity throughout the region. The rapid growth of livestock auctions coincided with basic changes in other phases of livestock processing and marketing. Noteworthy were the development of small-to-medium-size packing plants near the supply areas, improved highways, and the use of refrigerated trucks for the movement of fresh meat to consuming markets. Important also has been the relatively greater availability of packing-plant labor, at reasonable cost, in the farming centers than in the terminal market cities.

Texas and California have the larger number of auctions; New Mexico, Arizona, and Nevada, the fewer. The heaviest concentrations are found in the San Joaquin Valley of California and in sections of Central Texas. The Willamette and Klamath Valleys of Oregon, the Upper and Lower Snake River Valleys of Idaho and Oregon, and the South Platte Valley in northeastern Colorado are other important areas. In each of these areas diversified farming operations predominate.

Convenient to Producers

Annual 1949 sales at 6 of the largest Western auctions (located at Clovis, N. Mex., Amarillo and Lubbock, Tex., La Junta, Colo., Idaho Falls, Idaho, and Billings, Mont.) exceeded those of 7 of the 14 so-called large Western terminal markets (located at South San Francisco, Calif., Billings, Mont., Spokane, Wash., Stockton, Calif., North Salt Lake City, Utah, Seattle, Wash., and Pueblo, Colo.).

The auction markets have become major assembling markets for the small-to-medium-size livestock producer, and they supply markets and dispersion points for all types of livestock buyers.

The first of two articles dealing with changes or progress in the marketing of livestock in the West appeared in the March issue.

The rapid growth of the auction is explained on the basis of several interrelated economic forces. About 70 percent of all farms reporting cattle in the West are small, having from 1 to 15 head of cattle to market each year. Satisfactory local markets, therefore, have been a basic economic need for these small producers for a long time. Improvements in transportation facilities have removed many limitations previously placed on the producer in the marketing of his livestock. Trucks now make it possible to reduce the minimum size of shipments, cut time in transit, and provide a flexible service to the producer, available to him any hour of the day or night.

The use of refrigeration in processing and distributing has made it possible to ship meat to distant markets. This has tended to increase the slaughter of livestock nearer the farms and ranches where produced. Other stimulants to the growth of auctions include improvements in the collection and dissemination of market information, which enable buyers and sellers at country points to keep in closer touch with livestock market conditions. Auctions also provide facilities by which producers can see livestock sold, compared to the "private treaty" system as it prevails at terminal markets.

Wartime shortages of gas and tires and price regulations favored local selling. And, we must not forget, business and community leaders sought ways to expand home markets.

The largest auctions (13 percent of the total number) handled over 50 percent of all livestock sold. The smaller auctions, in terms of number of animals sold, are located in the Pacific coast area, while the larger auctions are found in the range livestock area of the Northern, Central, and Southern Great Plains. In general, auctions are located near producers, small packers, and feeders; in contrast to terminal markets, which are established near large cities. As a result, community auctions have been more responsive to the interests and needs of local clientele.

Management is an extremely important element in determining the success or failure of a particular auction. The personality and ability of the manager bear directly upon the attitude of buyers and sellers toward an auction market. Management that cannot instill confidence and enthusiasm in its patrons generally does not go far.

Farmers, ranchers, and feeders consign the majority of livestock sold at auctions in the Western region, and they are also the principal buyers. Dealers and order buyers were active at all auctions, and they buy about a third of all cattle sold. Packers buy about a fourth of all cattle sold at auctions.

Livestock auctions in the West serve as a market for slaughter livestock as well as for stockers and feeders. Cattle and calves account for 90 percent of all gross receipts, hogs 6 percent, and sheep 4 percent. On the average, auctions hold about one sale per week. Most livestock are sold on a price-per-pound basis, with the bulk of livestock grouped in relatively small lots. Size of lots varies within the region. The average size of lots in the Intermountain area is substantially larger than that found in either the Southwest or Pacific coast areas.

Auction sales in the West are well attended; the attendance ranges from less than 10 to as many as 2,500 at a single sale. Attendance at sales, however, bears little relationship to the volume of business handled. In many respects a small local auction plays the role of an afternoon social for many rural people. Friends are met, acquaintances renewed, methods of farming discussed, and individual agreements made.

The livestock moving into auctions generally originate within a 50-mile radius. Practically all receipts arrived by truck. Receipts at large auctions came from greater distances than those at the smaller markets, reflecting the fact that auctions were assembly points for relatively small-scale producers.

How Auctions Serve

Auction marketing of livestock as now conducted in the West performs useful services in concentration, selling, and disbursement of livestock to ultimate users. Such functions contribute to increased marketing efficiency. This is done in several ways:

● *Auctions facilitate the local exchange of stocker, feeder, and breeding animals between farmers and ranchers, and expedite feeding operations of small operators.*

● *Auctions provide a year-round supply of slaughter livestock for an expanding number of local packers, butchers, and locker plant operators.*

● *They offer an educational media whereby producers can compare their own livestock with that of their neighbors. Thus producers learn more about true values of livestock and what is demanded by the market.*

● *And auctions frequently provide the means whereby animals are moved from local deficit to local surplus feed areas. Therefore, livestock and feed resources are combined more effectively, resulting in greater total output.*

The future of the auction method of selling will depend upon the kind and amount of services rendered compared to services at other markets.

Edwin C. Voorhies
University of California
Harold Abel
Bureau of Agricultural Economics

More and More Combines Used By Farmers in Harvesting Grain

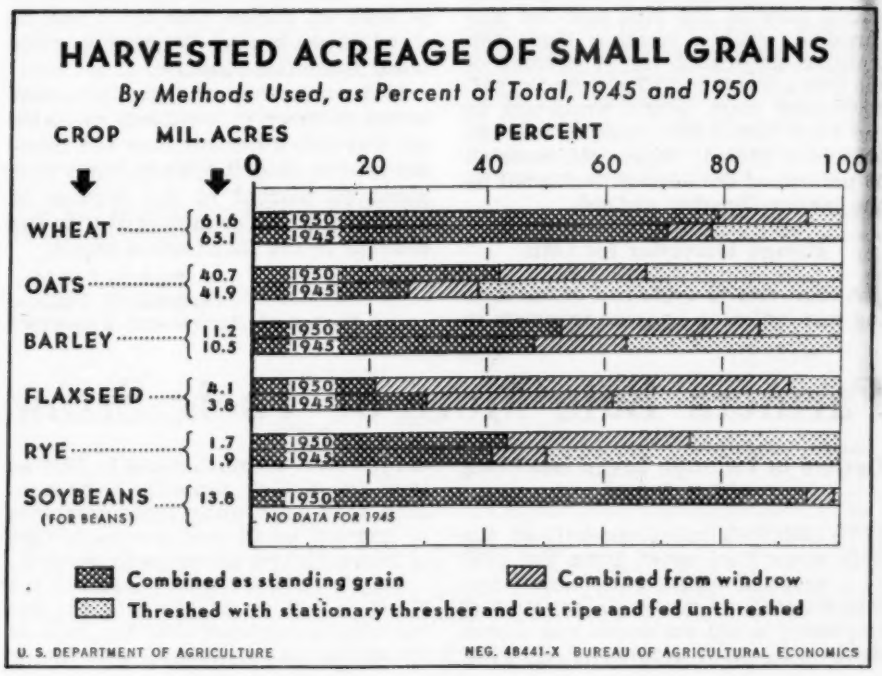
Development of Small Combine Aids in Mechanization of Farms With Small Acreage

COMBINES on farms have more than doubled in number during the last 6 years. The number had reached an estimated 810,000 on January 1, 1951, compared to 375,000 in 1945. The harvested acreage of wheat, oats, barley, rye, and flaxseed was about 119,300,000 acres in 1950.

The combine—reaping and threshing the grain in one operation—has helped to gear the grain harvest to the farm labor supply on both large and small farms. The fairly recent development of the small combine brought combine harvesting to areas where acreages of grain are small.

The development of the lighter combine dates back to the early thirties. However, the shift from the long established binder-thresher method to combines has been more gradual on small farms and has extended over a longer period than has been the case in the principal commercial grain areas. In the humid and more diversified farming areas, more and more farmers are gradually replacing worn out binders and threshers with these small size combines.

A recent nation-wide survey directed to voluntary crop reporters of the Bureau of Agricultural Economics, USDA, showed that combines were used to harvest 84 percent of the small grain acreage (wheat, oats, barley, rye, and flaxseed) in 1950, compared to 63 percent 5 years earlier. Virtually the entire acreage of soybeans for beans was harvested with combines.



Most Wheat Is Combined

Ninety-four percent of the wheat acreage was harvested by the combine in 1950; 92 percent of the flaxseed, 86 percent of the barley, 75 percent of the rye, and 67 percent of the oat acreage. This was a substantial increase over the acreage harvested with the combine in 1945 when 78 percent of the wheat and 38 percent of the oat acreage was harvested by this method. Back in 1938 less than one-half of the wheat acreage was combined.

Combining as standing grain was the leading harvest method in the United States both in 1950 and in 1945. Combining from the windrow was important in the Dakotas, Minnesota, and Iowa, ranging from 70 percent of the acreage of small grains in North Dakota to 37 percent in Iowa. In 1950 about 22 percent of the small-grain acreage throughout the country was combined from the windrow and 61 percent as standing grain. In 1945 about 11 percent was combined from the windrow and 52 percent as standing grain.

About 15 percent of the acreage of the five small grain crops was threshed from the shock, stack, or barn in 1950, and 2 percent cut ripe and fed unthreshed. Taken together these two methods accounted for 17 percent of the 1950 acreage and 37 percent in 1945. Threshing grain is still important in the Lake States and most of the Appalachian States. Wisconsin reported 58 percent of the acreage harvested by the binder-thresher method.

Forage Harvester for Oats

A relatively new method of harvesting was indicated by some reporters in the Lake States, mainly for harvesting oats. The unthreshed grain is picked up, usually from the windrow, with a forage harvester, chopped and delivered to wagons for hauling to the thresher. No twine or wire is needed for baling as the straw is blown into barns or stacks. A small crew can do the harvesting and all the straw can be saved. In areas where saving straw is important, this method may become increasingly important as a means of handling small grain crops.

In some areas cutting oats ripe for feeding unthreshed was an important harvest method. While only 5 percent of the entire oat acreage was handled by this method in 1950, it accounted for 31 percent of the acreage in the Southeast and 28 percent in the Appalachian States.

Flaxseed acreage is largely concentrated in the Dakotas and Minnesota where combining from the windrow was the leading harvest method in 1950. Thus, about 70 percent of the entire flaxseed acreage was combined from the windrow. Barley is also somewhat concentrated in this area. About 53 percent of the 1950 harvested acreage of barley was combined as standing grain and 34 percent combined from the windrow.

With an increase of about 20 percent in the number of combines available for this year's harvest over the number used in 1950, it appears likely that about 90 percent of the acreage of small grains will be harvested with the combine in the 1952 harvest season.

Paul E. Strickler
Donald D. Pittman
Bureau of Agricultural Economics

Farmers Bale More of Their Straw

Decline in Tonnage Saved but More of It Baled

FARMERS baled one-half of the straw they saved from the 1950 crops of wheat, oats, barley, rye, and flaxseed. A few years ago most of the straw saved on farms was stored loose—only about a fourth baled. They did not store as much straw in 1950 as they did in 1945, probably because in 1950 they were using more combines to harvest small grains—which type of harvest leaves the straw in the field.

Usually with a combine much of the straw is left as stubble and the remainder is scattered over the field as the grain is separated; and many

farmers do not want to spare the labor, money, and machinery to collect and store the straw after it is scattered on the ground. Furthermore, straw left on the field returns humus and plant food to the soil. Farmers used combines to harvest about 84 percent of their small grain acreage in 1950; only 63 percent in 1945.

When grain is harvested by the binder-thresher method or when it is cut ripe and fed unthreshed, only about 20 percent of the straw is left as stubble. And when the grain is threshed with stationary threshers, the straw is relatively easy to store as it is usually piled or stacked directly from the separator. It is likely that in 1945 some of the straw reported as saved was later hauled back and spread on the fields, or was burned. Information, by States, on straw stored in 1950 compared with 1945, is included in a Bureau of Agricultural Economics report (F. M. 91).

Mostly Baled With Twine

Of the 10 million tons of straw baled in 1950, about 6 million tons were tied with twine, the rest with wire. Only a small percentage of the 9 million tons of straw baled in 1945 was tied with twine, as there were only a few twine balers on farms that year. Most farmers like straw baled with twine especially for use on the farm. Most of the straw used by industry is baled with wire.

Wheat and oat straw made up nearly 90 percent of the straw stored from the 1950 crops of small grains included in the study. Oat straw, which is soft and leafy and generally preferred by farmers, made up 60 percent of the straw saved; 46 percent was baled—28 percent with twine and 18 percent with wire. Nearly 30 percent of the total straw saved was wheat straw. More than 60 percent was baled—36 percent with twine and 25 percent with wire. Barley, rye, and flaxseed straw make up the remaining 10 percent. Soybean straw is of minor importance—less than 160,000 tons were saved in 1950, of which over 60 percent was baled; close to 40 percent was baled with twine.

Two-thirds of all stored straw in the United States in 1950 was saved on farms of the Corn Belt, the Lake States, and the Northeast. Most straw is used on farms, especially where large numbers of dairy cattle have to be housed during long, cold winters.

Straw also has many uses off the farm. Some is needed for bedding livestock in transit and while held at stockyards. Some is used for animals in towns and cities. Highway departments use straw in curing concrete; also as a mulch to establish new seedings and prevent erosion. Industry uses about a million tons of straw annually. Strawboard plants, located chiefly in the Corn Belt and Lake States, use around 800,000 tons, chiefly wheat straw. Flaxseed straw is used in making cigarette paper.

Marcelle Masters
Bureau of Agricultural Economics

Straw Stored for Use on Farms or for Sale

Kind of straw	1950 Crop					1945 Crop		
	Amount	Percentage				Amount	Percentage	
		Baled		Loose			Baled	Loose
		With wire	With twine	Chopped	Not chopped			
	1,000 tons	*Percent*	*Percent*	*Percent*	*Percent*	*1,000 tons*	*Percent*	*Percent*
Wheat	5,691	24.9	36.5	6.3	32.3	11,173	31.5	68.5
Oat	11,835	17.5	28.3	8.8	45.4	19,178	23.7	76.3
Barley	1,472	18.0	26.3	7.3	48.4	2,083	10.9	89.1
Rye	353	16.9	30.2	4.7	48.2	614	22.8	77.2
Flaxseed	305	30.7	22.5	2.5	44.3	722	46.6	53.4
Total, 5 kinds	**19,656**	**19.8**	**30.5**	**7.8**	**41.9**	**33,770**	**26.0**	**74.0**

The Nation's Farms

What Are They Worth?

FARMERS reported the highest valuation of their property on record in the 1950 Census of Agriculture.

Preliminary estimates place the total value of farm land and buildings at nearly $76 billion, an increase of over $42 billion or 125 percent since 1940. Most of this increase reflects the cheaper dollar now, as the general price level more than doubled during that period. Some additional acreage, of course, was added to farms.

The 1,158 million acres in farms in 1950 had an average value of $65.45 per acre, compared with $31.71 per acre for the 1,061 million acres in 1940. All grades of land are combined in these averages, of course, but they are indicative of the general trend in values.

Per acre values have continued to rise since the 1950 census was taken. Applying the change shown in BAE's index of farm-land values to the dollar values reported in the 1950 census gives a March 1951 average value of $74.69 per acre and a total value of $86.5 billion. Further increases since last March are expected to raise the March 1952 estimate to about $82 per acre, or a total value of about $95 billion.

Average values per farm show an even larger increase than the total or per acre figures. The "average farm," also a composite of widely different types and size classes, was valued at $14,000 in 1950, compared with $5,500 in 1940. At 215 acres, the average farm was 41 acres larger in 1950 than in 1940. The average value per farm in 1952, figured at 215 acres per farm, is probably between $17,000 and $18,000.

Regional Differences

Closer examination of the value estimates by States and regions shows some interesting changes since 1940. In general, values have gone up the least in the Northeastern States and the most in the Mountain and Pacific Coast States. (See table.) Per acre

Value of Farm Real Estate Per Acre and Total, 1940 and 1950 Census of Agriculture [1]

Geographic division	Value per acre			Total value		
	1940	1950	Increase	1940	1950	Increase
	Dollars	*Dollars*	*Percent*	*Millions of dollars*	*Millions of dollars*	*Percent*
New England	55.38	97.40	76	741	1,222	65
Middle Atlantic	60.62	109.32	80	2,039	3,482	71
East North Central	64.53	131.17	103	7,334	14,704	100
West North Central	32.05	66.98	109	8,796	19,045	117
South Atlantic	34.14	69.65	104	3,160	7,115	125
East South Central	30.16	64.96	115	2,325	5,169	122
West South Central	21.10	50.32	138	4,232	10,642	151
Mountain	9.27	23.06	149	1,780	5,770	224
Pacific	50.82	116.83	130	3,237	8,682	168
United States [2]	**31.71**	**65.45**	**106**	**33,642**	**75,830**	**125**

[1] Land and buildings as of Apr. 1. 1950 data are based on preliminary releases and are not strictly comparable with 1940.

[2] Owing to rounding, detail may not add to total.

values rose only 76 percent in the New England region and total values only 65 percent. But in the Mountain States, per acre values rose 149 percent and total value rose 224 percent. Contrary to first expectations, the highest average values per acre are found in the Northeast where proximity to large cities contributes to value, and not in such traditional best land States as Iowa and Illinois. New Jersey had the highest average value at $293 per acre, followed by Connecticut, Rhode Island, and Massachusetts at $248, $232, and $190, respectively. Illinois averaged $174 per acre, Iowa and California $161, Indiana $137 and Ohio $136. Extensive areas of low valued range and grazing lands put Wyoming, Arizona, New Mexico and Montana at the bottom with average values of from $13.75 to $17 per acre.

Some interesting shifts are also apparent when the various States are ranked according to the total value of their farm real estate. Texas became the top ranking State with $6.7 billion in farm real estate. California with $5.9 billion moved from fourth place in 1940 to second place in 1950, while Iowa which ranked first in 1940 fell to third place in 1950. Illinois is now in fourth place, followed by Kansas, Ohio, and Indiana. Over two-fifths of the total value of farm real estate in the country is located in the East and West North Central regions.

Value of Buildings

Although no attempt was made in the 1950 census to obtain valuations of farm buildings apart from the land, other data obtained from BAE crop reporters have been used to make such an estimate. These estimates place the total value of farm buildings at about $21 billion, or a little more than double the 1940 valuation obtained in the census. For the country as a whole, farm buildings now represent about 28 percent of the total value of farm real estate, compared with 31 percent in 1940.

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Bureau of Agricultural Economics

Factors Affecting Auction Prices of Florida Oranges

A RECENT study shows what factors are largely responsible for year-to-year price fluctuations for oranges sold on auction markets.

It was found that 81 percent of the year-to-year variation in the price paid for Florida oranges on 10 auction markets was attributable to the combined effect of three factors. The first two of these were: The quantity of fresh Florida oranges sold, and the competition in fresh oranges and orange products produced elsewhere. The third factor was the amount of income at the disposal of potential consumers.

Prices Change With Supply

The 10 auction markets studied are all located in large cities—New York, Chicago, Philadelphia, Boston, Pittsburgh, Cleveland, St. Louis, Cincinnati, Detroit, and Baltimore. Oranges arrive at these markets in carlot shipments from grower associations, distributors, and individual grower-shippers. Buyers on the markets are jobbers, chain store buyers, and independent brokers and retailers. Minimum purchases are specified.

On these 10 markets, an increase of 1,000,000 boxes of Florida oranges sold in any one year meant a decrease of approximately 7 cents a box in the annual average price. Conversely, a decrease of 1,000,000 boxes meant a price increase of approximately 7 cents. This increase or decrease presupposes a constant quantity of competing oranges and orange products and a constant flow of income at the disposal of potential consumers.

Likewise, an increase of 1 million boxes of competing fresh oranges and orange products sold was accompanied by a decrease of approximately 7 cents

a box. A decrease of a million boxes sold meant an increase of 7 cents a box. Thus, when all variables are expressed in terms of fresh fruit equivalents, the effects on price of changes in supply of Florida oranges or of competing oranges and orange products are apparently identical.

When the personal disposable income of potential consumers in the Nation increased by as much as a billion dollars, the annual average price paid for Florida oranges on these markets increased by about 3 cents a box. A decrease of a billion dollars in income meant a price decrease of approximately 3 cents a box.

Auction prices are frequently used as a barometer to indicate changes in the price of oranges at other levels. The trade considers auction prices to have a lead relationship to prices at other stages in the marketing channel. The trade also believes that variations in auction prices more readily indicate changes in the supply of, and the demand for, fresh oranges than do any other series of prices.

A report of this study, which was made under the Research and Marketing Act of 1946, has been published by the Bureau of Agricultural Economics. Cooperating in the necessary research were the Agricultural Experiment Stations of Texas and Florida, the Farm Credit Administration and the Production and Marketing Administration. The report is intended especially for marketing technicians.

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Bureau of Agricultural Economics

Prices of Farm Products

[Estimates of average prices received by farmers at local farm markets based on reports to the Bureau of Agricultural Economics. Average of reports covering the United States weighted according to relative importance of district and State]

Commodity	5-year average		Mar. 15, 1951	Feb. 15, 1952	Mar. 15, 1952	Effective parity price Mar. 15, 1952 [2]
	Base period price [1]	January 1935–December 1939				
Basic commodities:						
Cotton (pound)—cents	[3] 12.4	10.34	42.18	37.25	36.72	34.47
Wheat (bushel)—dollars	[3] .884	.837	2.12	2.18	2.20	2.46
Rice (cwt.)—do	1.95	1.65	5.78	5.22	5.21	5.62
Corn (bushel)—do	[3] .642	.691	1.60	1.66	1.65	1.78
Peanuts (pound)—cents	[3] 4.8	3.55	10.8	10.4	10.5	13.3
Designated nonbasic commodities:						
Potatoes (bushel)—dollars	[4] 1.12	.717	1.06	2.05	2.16	[5] 1.72
Butterfat in cream (pound)—cents	26.7	29.1	69.7	82.9	77.8	76.9
Milk, wholesale (100 lb.) [6]—dollars	1.68	1.81	4.54	5.09	[7] 4.92	4.84
Wool (pound)—cents	[3] 20.9	23.8	[8] 112.0	55.28	53.0	60.2
Other nonbasic commodities:						
Barley (bushel)—dollars	[3] .619	.533	1.34	1.38	1.36	[5] 1.46
Cottonseed (ton)—do	26.40	27.52	103.00	67.10	61.50	76.00
Flaxseed (bushel)—do	1.65	1.69	4.59	3.92	3.88	4.75
Oats (bushel)—do	[3] .399	.340	.909	.890	.891	[5] .944
Rye (bushel)—do	[3] .720	.554	1.57	1.62	1.70	[5] 1.70
Sorghum, grain (100 lb.)—do	[3] 1.21	1.17	2.12	2.51	2.52	[5] 2.86
Soybeans (bushel)—do	1.00	.954	3.10	2.78	2.76	2.88
Sweetpotatoes (bushel)—do	.902	.807	2.07	3.57	3.83	2.60
Beef cattle (100 lb.)—do	7.36	6.56	29.70	27.60	27.60	21.20
Chickens (pound)—cents	10.7	14.9	28.9	25.7	25.0	30.8
Eggs (dozen)—do	[3] 21.5	21.7	43.7	34.6	33.9	[5] 50.8
Hogs (100 lb.)—dollars	7.49	8.38	21.20	17.20	16.70	21.60
Lambs (100 lb.)—do	8.09	7.79	35.00	26.80	25.60	23.30
Veal calves (100 lb.)—do	8.26	7.80	33.50	31.90	31.40	23.80
Oranges, on tree (box)—do	[4] 2.29	1.11	1.94	.84	1.12	[5] 3.54
Apples (bushel)—do	.991	.90	1.96	2.36	2.45	2.85
Hay, baled (ton)—do	[3] 11.87	11.20	23.10	25.40	25.10	[5] 28.00

[1] Adjusted base period prices 1910–14, based on 120-month average January 1942–December 1951 unless otherwise noted.
[2] Parity prices are computed under the provisions of title III, subtitle A, section 301 (a) of the Agricultural Adjustment Act of 1938 as amended by the Agricultural Acts of 1948 and 1949.
[3] 60-month average, August 1909–July 1914.
[4] 10-season average 1919–28.
[5] Transitional parity, 85 percent of parity price computed under formula in use prior to Jan. 1, 1950.
[6] Prices received by farmers are estimates for the month.
[7] Preliminary. [8] Revised.

Economic Trends Affecting Agriculture

Year and month	Industrial production (1935–39=100)[1]	Total income of industrial workers (1935–39=100)[2]	Average earnings of factory workers per worker (1910–14=100)	Wholesale prices of all commodities (1910–14=100)[3]	Index numbers of prices paid by farmers (1910–14=100)			Index numbers of prices received by farmers (1910–14=100)			
					Commodities	Wage rates for hired farm labor[4]	Commodities, interest, taxes, and wage rates	Livestock and products			
								Dairy products	Poultry and eggs	Meat animals	All livestock
1910–14 average	58	50	100	100	100	100	100	100	100	100	100
1915–19 average	72	90	152	158	149	147	148	147	153	162	157
1920–24 average	75	122	221	160	159	181	168	159	163	121	140
1925–29 average	98	129	232	143	151	184	161	161	155	145	152
1930–34 average	74	78	179	107	117	121	124	105	94	83	91
1935–39 average	100	100	199	118	124	121	125	119	108	117	113
1940–44 average	192	237	315	139	148	211	152	169	145	166	162
1945–49 average	186	317	431	204	219	407	229	264	213	291	265
1950 average	200	369	516	236	246	425	255	247	181	340	278
1951 Average	[5] 220	[5] 425	566	263	271	470	281	284	226	411	335
1951											
March	222	427	563	269	272	-------	280	280	217	428	343
April	223	427	565	268	273	479	283	273	215	428	340
May	222	424	562	267	272	-------	283	270	221	418	335
June	221	429	567	265	272	-------	282	269	217	422	335
July	212	420	560	262	271	475	282	272	222	414	332
August	217	426	561	260	271	-------	282	277	231	416	336
September	219	[5] 429	[5] 571	259	271	-------	282	283	247	411	337
October	218	425	[5] 570	260	272	476	283	294	247	410	340
November	219	[5] 426	[5] 575	260	274	-------	284	305	249	387	332
December	218	435	587	260	273	-------	284	314	233	379	328
1952											
January	219	-------	[5] 582	[5] 254	275	498	287	316	200	376	320
February	-------	-------	-------	253	276	-------	288	317	181	377	317
March	-------	-------	-------	-------	276	-------	288	305	177	372	310

Year and month	Index numbers of prices received by farmers (1910–14=100)								All crops and livestock	Parity ratio[6]
	Crops									
	Food grains	Feed grains and hay	Tobacco	Cotton	Oil-bearing crops	Fruit	Truck crops	All crops		
1910–14 average	100	100	100	100	100	100	-------	100	100	100
1915–19 average	193	161	183	175	201	126	-------	171	164	111
1920–24 average	147	125	189	197	155	157	[7] 152	162	150	89
1925–29 average	141	118	169	150	135	146	145	143	148	92
1930–34 average	70	76	117	77	78	98	104	84	88	71
1935–39 average	94	95	172	87	113	95	95	99	107	86
1940–44 average	123	119	241	138	170	150	164	145	154	101
1945–49 average	222	205	377	240	289	216	206	234	250	109
1950 average	224	187	402	280	276	200	185	232	256	100
1951 average	243	220	436	335	339	193	239	264	302	107
1951										
March	245	221	437	359	386	202	265	276	311	111
April	247	222	438	363	385	209	225	275	309	109
May	244	223	438	357	380	194	239	271	305	108
June	240	217	438	353	358	200	189	263	301	107
July	236	213	438	329	317	175	204	252	294	104
August	234	215	430	291	294	207	181	244	292	104
September	233	216	423	283	288	201	161	239	291	103
October	239	219	445	304	296	188	171	247	296	105
November	249	224	424	345	307	172	249	267	301	106
December	253	233	440	339	309	177	331	280	305	107
1952										
January	251	234	431	325	303	171	337	277	300	105
February	249	230	436	313	296	168	217	259	289	100
March	251	229	435	309	284	176	265	265	288	100

[1] Federal Reserve Board: represents output of mining and manufacturing; monthly data adjusted for seasonal variation.

[2] Computed from data furnished by Bureau of Labor Statistics and Interstate Commerce Commission on payrolls in mining, manufacturing, and transportation; monthly data adjusted for seasonal variation. Revised January 1950. [3] Bureau of Labor Statistics.

[4] Farm wage rates simple averages of quarterly data, seasonally adjusted. [5] Revised.

[6] Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates. This parity ratio will not necessarily be identical to a weighted average percent of parity for all farm products, largely because parity prices for some products are on a transitional basis. [7] 1924 only.

Outlook Highlights

(Continued from page 6)

Fruits

Grower prices for the remaining relatively small stocks of apples and pears are expected to increase somewhat this spring. But little change seems likely in prices for citrus fruits, of which remaining supplies are moderately larger than a year ago. Compared with the same months of 1951, prices for apples and pears are expected to continue moderately higher, and prices for citrus fruits somewhat lower.

Large supplies of canned apples and applesauce will continue to be available. Packers' stocks of canned apples and applesauce combined were only about 8 percent smaller on February 1, 1952, than the record stocks a year earlier.

Farm Income

Farmers received a total of about 6.7 billion dollars from marketings in the first 3 months of this year. This was about 4 percent above the same period last year. Prices averaged lower but more products were marketed. Receipts from livestock and products were down a little from a year earlier but crop receipts were up about 16 percent.

Farmers' Prices

Prices received by farmers continued relatively stable from mid-February to mid-March after falling 11 index points or 4 percent from January to February.

The index of prices paid by farmers for commodities, interest, taxes, and wages was at about the same level last month as prices received. This resulted in a parity ratio of 100, same as the month before and 11 points below March a year ago.

General Economic Conditions

Wholesale prices have been easing, and general improvement in the supply situation for many commodities is in the picture. Underlying economic conditions continue strong:

The defense program is expanding. Available information for the first part of the first quarter of 1952 indicates that spending for National Security probably was up 3 to 4 billion dollars from the annual rate of 44 billion in the fourth quarter of 1951.

Business investment apparently also rose during the first quarter.

New construction expenditures probably averaged about 5 percent above the fourth quarter of last year. Retail sales adjusted for seasonal variation have picked up a little and for January and February averaged 2 to 3 percent above the fourth quarter.

Structural Steel Situation Brighter

The amount and types of construction in coming months will be influenced by the improved supply situation for structural steel. Allotments for the second quarter of this year indicate that enough steel will be available to assure completion of all projects already started; while first-quarter allotments could only take care of projects 20 percent or more complete.

UNITED STATES
DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
WASHINGTON 25, D. C.
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300
(GPO)

U. S. GOVERNMENT PRINTING OFFICE: 1952